



Bulletin

2015-06B

TO: City and Town Officials

FROM: Anthony A. Rassias, Deputy Director of Accounts

DATE: April 2015

SUBJECT: Distribution of Winter Recovery Assistance (Pothole Money)

This *Bulletin* addresses the accounting and reporting treatment for expenditure and subsequent receipt of funds authorized to reimburse cities and towns for certain eligible road activities under the Winter Recovery Assistance Program, or WRAP, administered by MassDOT. The program authorizes \$30 million for reimbursement. Rules and regulations for the program are available [here](#).

MassDOT's letter to cities and towns states:

"The contract requires that all physical work be completed prior to June 30, 2015. Requests for reimbursement must be submitted to the Highway Division prior to July 31, 2015, in order to be reimbursed. Requests for reimbursement received after this date will not be processed by the Highway Division. The intent of this program is to assist cities and towns in addressing immediate and necessary repairs resulting from the winter weather."

MassDOT expects that all reimbursements will be made by September 30, 2015 up to the [specified allocated amount](#).

In light of this, the Bureau of Accounts is advising local officials of the following:

- Further local action to accept or appropriate WRAP funds for eligible expenditures is not required, but expenditures must be placed on a payment warrant as usual.
- Spending for this purpose should be accounted for in a special revenue fund to be offset by reimbursements received.

- Reimbursements received on or before June 30, 2015 must be applied to reduce any deficit in the WRAP program special revenue fund. If no deficit exists, the reimbursement must close to the General Fund on June 30.
- The Bureau will not reduce free cash if the reimbursement has been received as of September 30, 2015.
- For balance sheets processed before September 30, 2015 for which free cash was reduced for a late reimbursement, the city or town may request a free cash update after the reimbursement has been received.
- Any deficit allowed for this purpose that will not be reimbursed must be raised or otherwise funded on the FY2016 Tax Rate Recap.

If you have any further questions in this matter, please contact your Bureau of Accounts field representative.